

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:	§	
FREE SPEECH SYSTEMS LLC,	§	Chapter 11 (Subchapter V)
	§	
	§	Case No. 22-60043
	§	
Debtor.	§	

DEBTOR’S NOTICE OF CASH COLLATERAL BUDGET FOR APRIL 2024

Free Speech Systems, LLC (“FSS” or “Debtor”) files this notice in accordance with the Seventeenth Interim Order Authorizing Debtor’s Use of Cash Collateral and Providing Partial Adequate Protection [ECF #772] where the Court ordered FSS to file a notice with an attached budget on April 2024 is attached to this Notice as Exhibit A (the “Budget”). The Budget reflects the use of cash collateral consistent with the payment of reasonable and necessary operating expenses of FSS throughout the pendency of this case.

Respectfully submitted,

O’CONNORWECHSLER PLLC

By: /s/ Annie Catmull

Annie E. Catmull

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COUNSEL FOR FREE SPEECH SOLUTIONS,  
LLC

**Certificate of Service**

I certify that on March 25, 2024, all parties who have made an electronic appearance were served a copy of the attached notice through the Court's ECF notification system.

/s/ Annie Catmull  
Annie E. Catmull

Week Number	4/1/2024- 4/6/2024 15	4/7/2024- 4/13/2024 16	4/14/2024- 4/20/2024 17	4/21/2024- 4/27/2024 18	4/28/2024- 4/30/2024 19	Total	NOTES
<b>Income</b>							
Product Sales (Net of 7.0% Merchant Fee)	\$ 304,521.43	\$ 355,275.00	\$ 560,250.00	\$ 566,100.00	\$ 211,660.71	\$ 1,997,807.14	Net of 5.5% CC Merchant fees. Includes Shipping and Sales Tax, excludes any PQPR / Platinum
New Product Initiative	375,842.86	30,150.00	40,042.50	42,044.63	16,033.88	504,113.86	Drop Ship vendor for Meals Ready to Eat and Guest Fees, gross sales
Point of Sales Revenue	19,384.29	22,615.00	32,175.00	32,175.00	12,423.57	118,772.86	Fulfillment Vendor Product Sales
Platinum / PQPR Commission	23,571.43	27,500.00	41,650.00	47,350.00	16,642.86	156,714.29	Net of 50% payment to PQPR
Donations	400.00	1,000.00	750.00	1,000.00	400.00	3,550.00	
<b>Total Income</b>	<b>723,720.00</b>	<b>436,540.00</b>	<b>674,867.50</b>	<b>688,669.63</b>	<b>257,161.02</b>	<b>2,780,958.14</b>	
<b>Selling &amp; Product Costs</b>							
Inventory Purchases	-	(200,000.00)	(35,000.00)	(200,000.00)	(15,000.00)	(450,000.00)	Inventory deposits and purchases from numerous Vendors
New Product Initiative	(281,882.14)	(22,612.50)	(30,031.88)	(31,533.47)	(12,025.41)	(378,085.39)	Payments to Meal Ready to Eat Vendor
Point of Sale Product Cost	(11,630.57)	(13,569.00)	(19,305.00)	(19,305.00)	(7,454.14)	(71,263.71)	Fulfillment Vendor product costs
Fulfillment Services	(41,110.39)	(47,962.13)	(75,633.75)	(76,423.50)	(28,574.20)	(269,703.96)	Fulfillment Vendor shipping and handling costs
Texas Sales Tax (20% of Sales @ 6.25%)	(3,806.52)	(4,440.94)	(7,003.13)	(7,076.25)	(2,645.76)	(24,972.59)	
<b>Total Cost of Goods Sold</b>	<b>(338,429.63)</b>	<b>(288,584.56)</b>	<b>(166,973.75)</b>	<b>(334,338.22)</b>	<b>(65,699.50)</b>	<b>(1,194,025.66)</b>	
<b>Operating Expenses</b>							
<b>Advertising &amp; Promotion</b>							
Social Media Advertising	-	-	-	-	-	-	Advertising Campaign on X was not successful in converting advertsing to sales
Radio Show Advertising	-	-	-	-	-	-	
<b>Total Advertising &amp; Promotion</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Computer/IT/IP Expense</b>							
Internet & TV services	(1,750.00)	(1,750.00)	(3,250.00)	(3,250.00)	(2,750.00)	(12,750.00)	
Server Hosting / Cloud Service / Ecomm	(90,000.00)	-	(50,000.00)	(50,000.00)	(20,000.00)	(210,000.00)	
Satellite Service	(190,000.00)	-	(35,000.00)	(15,000.00)	-	(240,000.00)	
Telecommunications	(2,000.00)	(2,000.00)	(7,000.00)	(5,000.00)	(10,500.00)	(26,500.00)	
Image License, Software & Other	(10,000.00)	(10,000.00)	(10,000.00)	(7,500.00)	(10,000.00)	(47,500.00)	
<b>Total Computer/IT/IP Expense</b>	<b>(293,750.00)</b>	<b>(13,750.00)</b>	<b>(105,250.00)</b>	<b>(80,750.00)</b>	<b>(43,250.00)</b>	<b>(536,750.00)</b>	
<b>Office &amp; Administrative Expense</b>							
Bank Fees & Service Charges	(200.00)	(200.00)	(200.00)	(200.00)	(100.00)	(900.00)	
Insurance	(15,000.00)	-	-	-	-	(15,000.00)	Liability, auto, property and workers comp
Rent	(57,440.00)	-	-	-	-	(57,440.00)	
Utilities	(5,000.00)	(500.00)	(500.00)	(500.00)	-	(6,500.00)	
Janitorial	(3,500.00)	-	-	-	-	(3,500.00)	Monthly Cleaning fees
Office Security	(12,500.00)	(12,500.00)	(12,500.00)	(12,500.00)	(12,500.00)	(62,500.00)	
Repair & Maintenance	-	-	(5,000.00)	-	-	(5,000.00)	
Supplies/Printing/Copy	(2,000.00)	(2,000.00)	(2,500.00)	(2,000.00)	(1,000.00)	(9,500.00)	Includes Konica Minolta copier lease
Business Meals	-	-	(1,000.00)	-	(500.00)	(1,500.00)	
<b>Total Office &amp; Administrative Expense</b>	<b>(95,640.00)</b>	<b>(15,200.00)</b>	<b>(21,700.00)</b>	<b>(15,200.00)</b>	<b>(14,100.00)</b>	<b>(161,840.00)</b>	
<b>Personnel Expenses</b>							
Salaries & Wages & Benefits	(167,500.00)	-	(167,500.00)	-	-	(335,000.00)	
Payroll Tax	(15,400.00)	-	(15,400.00)	-	-	(30,800.00)	
Contract Employees	(14,500.00)	-	(37,450.00)	-	(5,000.00)	(56,950.00)	
Consulting Services	(5,000.00)	(3,850.00)	(9,000.00)	(3,850.00)	(3,850.00)	(25,550.00)	HR, Tax and Bookeeping Fees
Alex Jones Salary	(25,000.00)	-	(25,000.00)	-	-	(50,000.00)	Per the 11/27 Hearing, Jones Salary will be \$25,000 per pay period
<b>Total Personnel Expenses</b>	<b>(227,400.00)</b>	<b>(3,850.00)</b>	<b>(254,350.00)</b>	<b>(3,850.00)</b>	<b>(8,850.00)</b>	<b>(498,300.00)</b>	
<b>Travel</b>							
Mileage/Parking/Tolls	(100.00)	(100.00)	(100.00)	(100.00)	(100.00)	(500.00)	
Special Event Travel & Security	-	-	-	-	-	-	
Special Event Travel & Security	-	-	-	-	-	-	
Travel / Lodging	-	-	-	-	-	-	
Vehicle Rental / Leases	(500.00)	(500.00)	(500.00)	(500.00)	(500.00)	(2,500.00)	
<b>Total Travel Expenses</b>	<b>(600.00)</b>	<b>(600.00)</b>	<b>(600.00)</b>	<b>(600.00)</b>	<b>(600.00)</b>	<b>(3,000.00)</b>	
<b>Total Operating Expenses</b>	<b>(617,390.00)</b>	<b>(33,400.00)</b>	<b>(381,900.00)</b>	<b>(100,400.00)</b>	<b>(66,800.00)</b>	<b>(1,199,890.00)</b>	
<b>Non-Operating Expenses</b>							
RV Repairs and Maintenance	-	-	-	-	-	-	Project Completed 3-2024
Adequate Protection Payment to SEC Bank	(2,750.00)	-	-	-	-	(2,750.00)	
<b>Total Other Expenses</b>	<b>(2,750.00)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,750.00)</b>	
<b>Professional Fees</b>							
CRO Fees	-	-	-	(50,000.00)	-	(50,000.00)	
CRO Expenses	-	-	-	-	-	-	
Trustee Fees	-	-	-	(40,000.00)	-	(40,000.00)	
Trustee Counsel	-	-	-	(50,000.00)	-	(50,000.00)	
Legal Fees - Reynal	-	-	-	(35,000.00)	-	(35,000.00)	
Legal Fees - Additional Counsel	-	(75,000.00)	-	-	-	(75,000.00)	Retainer for Annie Catmull
Legal Fees - Texas Appellate Counsel	-	-	-	(35,000.00)	-	(35,000.00)	
Sales Tax Preparation Fees	-	-	(50,000.00)	-	-	(50,000.00)	Analysis of FSS Sales Tax Compliance status
Data Discovery	-	-	-	-	-	-	
Ray Battaglia	-	-	-	(40,000.00)	-	(40,000.00)	
<b>Total Professional Fees</b>	<b>-</b>	<b>(75,000.00)</b>	<b>(50,000.00)</b>	<b>(250,000.00)</b>	<b>-</b>	<b>(375,000.00)</b>	
<b>Total Cash Flow</b>	<b>(234,849.63)</b>	<b>39,555.44</b>	<b>75,993.75</b>	<b>3,931.41</b>	<b>124,661.51</b>	<b>9,292.48</b>	
<b>Ending Cash</b>	<b>2,465,150.38</b>	<b>2,504,705.81</b>	<b>2,580,699.56</b>	<b>2,584,630.97</b>	<b>2,709,292.48</b>		